

THE HONORABLE JAMAL N. WHITEHEAD

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SEA MAR COMMUNITY HEALTH
CENTERS,

Plaintiff,

v.

ACCREDITATION COUNCIL FOR
GRADUATE MEDICAL EDUCATION,

Defendant.

Case No. C24-896 JNW

FIRST AMENDED COMPLAINT

DEMAND FOR JURY TRIAL

**REDACTED VERSION
PUBLICLY FILED**

Plaintiff Sea Mar Community Health Centers (“Sea Mar”), for causes of action against Defendant Accreditation Council for Graduate Medical Education (“ACGME”), alleges as follows:

PRELIMINARY STATEMENT

1. Sea Mar is a nonprofit corporation and Federally Qualified Health Center (“FQHC”) under Section 330 of the Public Health Service Act, Pub. L. 104-299, § 2, 110 Stat. 3626, 3626–42 (1996). For more than four decades, Sea Mar has provided medical, dental, and social services for Washington’s medically underserved populations, including migratory and seasonal agricultural workers, the homeless, and residents of public housing. As its website explains, Sea Mar “is a community-based organization committed to providing quality, comprehensive health, human, housing, educational and cultural services to diverse communities,

1 specializing in service to Latinos in Washington state. Sea Mar proudly serves all persons without
 2 regard to race, ethnicity, immigration status, gender, or sexual orientation, regardless of ability to
 3 pay for services.” *Welcome to Sea Mar Community Health Centers*, Sea Mar Cmty. Health Ctrs.,
 4 <https://www.seamar.org> (last visited August 24, 2024).

5 2. Sea Mar’s Family Medicine Residency Program (the “Family Medicine Residency
 6 Program” or the “Program”), based out of its Marysville clinic, was a cornerstone of its healthcare
 7 delivery system. The Program trained residents in family medicine to, among other things, provide
 8 services to the underserved and vulnerable in Healthcare Professional Shortage Areas (“HPSAs”)
 9 throughout their careers.¹ The Program welcomed its first class of residents in 2017 and later
 10 expanded to a maximum of twelve residents in each class.

11 3. By objective metrics, the Program was a success: During the past five years, every
 12 one of its graduating residents passed their board-certification examination on the first try,
 13 ACGME recognized its success by twice allowing the Program to permanently increase its resident
 14 complement (which is only permitted for programs in compliance with ACGME requirements),
 15 and not a single resident transferred out of the Program before graduating.

16 4. In training the next generation of community-focused practitioners, the Program
 17 addressed a critical shortcoming in the American healthcare system. Both the state and federal
 18 governments have recognized that rural and underserved communities have inadequate access to
 19 basic medical care; the federal Health Resources and Services Administration (“HRSA”), for
 20 example, “estimates a projected shortage of 35,260 primary care physicians—including family
 21 medicine, general internal medicine, geriatrics, and pediatrics—by 2035. These shortages are
 22 projected to be particularly acute in rural areas.” *Teaching Health Center Graduate Medical*
 23 *Education (THCGME) Program*, HRSA, <https://bhw.hrsa.gov/funding/apply-grant/teaching->
 24

25 ¹ As defined by the federal Health Resources and Services Administration, HPSAs “can be
 26 geographic areas, populations, or facilities. These areas have a shortage of primary, dental, or
 mental health care providers.” *What Is Shortage Designation?*, HRSA, <https://bhw.hrsa.gov/workforce-shortage-areas/shortage-designation> (June 2023).

1 health-center-graduate-medical-education (July 2023); *see also* S.S.H.B. 1485 § 1, 64th Leg., 2015
 2 Reg. Sess. (Wash.) (recognizing and remediating “family medicine physicians in shortage areas in
 3 the state”). Sea Mar, for its part, offers medical services in HPSAs as defined by HRSA—including
 4 at its Marysville clinic, where the Family Medicine Residency Program was based. *See HPSA*
 5 *Find*, HRSA, <https://data.hrsa.gov/tools/shortage-area/hpsa-find> (last visited August 24, 2024)
 6 (identifying Marysville as “Low Income Population HPSA” and Sea Mar as FQHC for Snohomish
 7 County, Washington).

8 5. To address this endemic shortage of primary-care providers in underserved areas,
 9 government programs provide funding and support for community-focused family medicine
 10 residency programs—including Sea Mar’s, which received financial support from HRSA and the
 11 State of Washington.

12 6. But there’s a catch: Even though state and federal programs provide both direct and
 13 indirect funding to community-based residency programs, ACGME serves as the gatekeeper for
 14 that financial support. ACGME is the accrediting organization for all graduate medical education
 15 in the United States and thus exercises monopoly control over which graduate medical programs
 16 are accredited and which are not. This authority is not merely practical, but legal: State and federal
 17 statutes alike condition funding for programs like Sea Mar’s Family Medicine Residency Program
 18 on ACGME accreditation, deferring to ACGME’s decisions without meaningful review or
 19 oversight. Moreover, the Washington Medical Commission approves only programs accredited by
 20 ACGME (or its Canadian equivalents) for postgraduate clinical training, *see* WAC 246-919-
 21 330(2), and only residency programs accredited by ACGME can be used to satisfy physicians’
 22 continuing-education requirements, *see* WAC 246-919-430(1).

23 7. Because of these express gatekeeping functions and the deference afforded to it by
 24 the state and federal governments, ACGME serves as a quasi-public entity that exercises
 25 significant authority over the fates of the nation’s residency programs—including, in particular,
 26 programs that train physicians in the provision of community-based healthcare in rural and

1 medically underserved areas. Given the vital importance of public funding (especially for FQHC-
2 and HPSA-based programs like Sea Mar’s), ACGME is effectively able to exercise “life and death
3 power” over critical residency programs, a level of influence that has led courts to recognize “a
4 ‘common law duty on the part of “quasi-public” private professional organizations or accreditation
5 associations to employ fair procedures when making decisions affecting their members.” *Pro.*
6 *Massage Training Ctr., Inc. v. Accreditation All. of Career Schs. & Colls.*, 781 F.3d 161, 169–70
7 (4th Cir. 2015) (quoting *McKeesport Hosp. v. ACGME*, 24 F.3d 519, 534–35 (3d Cir. 1994)
8 (Becker, J., concurring in the judgment)).

9 8. ACGME lists the values of integrity, fairness, transparency, excellence, and
10 accountability among its lodestars. *See Mission, Vision, and Values*, ACGME, [https://](https://www.acgme.org/about/overview/mission-vision-and-values)
11 www.acgme.org/about/overview/mission-vision-and-values (last visited August 24, 2024). But its
12 actions toward Sea Mar over the past year have betrayed each of these ostensible values—and, in
13 particular, have been anything but “fair.”

14 9. Since the Program applied to ACGME for and received its initial accreditation in
15 2015, ACGME reviewed and consistently reaccredited both the Program and Sea Mar as its
16 sponsoring institution each year through 2023. ACGME last issued a citation in 2018, which the
17 Program immediately remedied. But six years later—this past February, just weeks after ACGME
18 continued Sea Mar’s institutional accreditation with an express commendation for its compliance
19 with ACGME’s requirements—two ACGME Field Representatives conducted a perfunctory,
20 remote “visit” of the Program. Despite being directed to undertake an in-person evaluation, the
21 Field Representatives met virtually, for less than a business day, with select residents, faculty, and
22 Sea Mar personnel. At the end of the visit, the Field Representatives reconvened with Sea Mar’s
23 administration for mere minutes—far shorter than was scheduled—and gave Sea Mar no
24 opportunity to learn about or respond to any inaccuracies in the Field Representatives’ impressions
25 and findings or otherwise address their concerns.
26

1 10. [REDACTED]

2 [REDACTED]

3 [REDACTED]

4 [REDACTED]

5 [REDACTED]

6 [REDACTED]

7 [REDACTED]

8 [REDACTED]

9 [REDACTED]

10 [REDACTED]

11 11. Nor did ACGME's Review Committee for Family Medicine (the "Review

12 Committee"), which received and considered the Field Representatives' Site Visit Report, [REDACTED]

13 [REDACTED] seek additional information from Sea Mar—even though it could have,

14 and even though Sea Mar had in its possession volumes of data and materials that would have

15 confirmed the Program's substantial compliance with the applicable guidelines.

16 12. [REDACTED]

1 13. Ultimately, the Site Visit Report that formed the basis of the Review Committee's
2 action [REDACTED], let alone a
3 complete and accurate summarization of the data and materials that would have demonstrated the
4 Program's compliance with ACGME's guidelines. And the Review Committee only compounded
5 the Field Representatives' missteps: [REDACTED], it assumed the
6 accuracy of the Site Visit Report and then further distorted the record in the notification letter it
7 provided to Sea Mar. Indeed, the Review Committee issued multiple citations on alleged issues
8 where even the Field Representatives concluded that the Program was in substantial compliance.

9 14. On April 21, 2024, Sea Mar received notification from the Review Committee that
10 the Family Medicine Residency Program's accreditation would be withdrawn in just two months'
11 time—effective June 30, 2024, the end of the 2023–2024 academic year. [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED]
16 [REDACTED]
17 [REDACTED] Even though

18 progressive remediation was available [REDACTED]—and even though the Site Visit Report
19 was a catalogue of unfounded conclusions and unfinished and inadequate investigative
20 undertakings—the Review Committee chose to precipitously withdraw accreditation just two
21 months later.

22 15. ACGME did not immediately specify the reasons for this decision, giving itself
23 sixty days to do so. After Sea Mar protested this delay, ACGME provided bare-bones citations
24 several days later but refused to provide the Site Visit Report identifying the alleged bases for the
25 citations unless and until Sea Mar appealed the withdrawal decision, thereby requiring Sea Mar to
26 appeal without even knowing ACGME's rationale for its sudden and devastating action.

1 16. Sea Mar duly appealed, and ACGME’s rationale was provided thereafter: a list of
 2 forty-seven citations that purportedly chronicled shortcomings in the Program but was actually a
 3 hodgepodge of vague, manifestly erroneous, factually baseless, picayune, and otherwise meritless
 4 or insubstantial claims. It was immediately clear to Sea Mar that, given the conspicuous absence
 5 of a Review Committee finding of clear or egregious noncompliance with ACGME’s guidelines,
 6 the citations were designed to “run up the score” and discredit the Program by the sheer number
 7 of purported issues. But the citations, even when aggregated, failed to justify the draconian remedy
 8 of de-accreditation—especially since less drastic, progressive remediation options were available
 9 to ACGME.

10 17. Among other deficiencies, many (if not most) of the citations:

- 11 • Were based in whole or in part on underlying factual errors;
- 12 • Were facially inconsistent with the ACGME guidelines that were purportedly
 13 violated;
- 14 • Ignored uncontested refuting data that was timely submitted by Sea Mar and within
 15 ACGME’s possession;
- 16 • Addressed issues for which ACGME never sought information or documentation
 17 from the Program or Sea Mar—and which, if requested, would have been provided and
 18 conclusively refuted the citations’ allegations;

19 • [REDACTED]
 20 [REDACTED]
 21 [REDACTED]

- 22 • Addressed minor alleged shortcomings that, even if true, would at most have
 23 merited progressive remediation rather than sudden termination of accreditation;
- 24 • Were based on anonymous hearsay where the number and identities of the speakers,
 25 the subjects and frequency of their alleged statements, and their context were entirely missing,
 26 rendering the hearsay inherently unreliable; and

1 • [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 18. Despite the fundamentally meritless and poorly investigated nature of the citations
5 and the unjustified withdrawal decision, Sea Mar was denied a meaningful opportunity to contest
6 the de-accreditation decision and defend its Family Medicine Residency Program. ACGME
7 informed Sea Mar that its appeal of the accreditation withdrawal, which would be its *first*
8 opportunity to respond, would be scheduled only *after* the withdrawal went into effect—and
9 refused Sea Mar’s requests to either accelerate the hearing or delay the accreditation-withdrawal
10 date and allow it to be heard before adverse action was taken. The hearing was ultimately held on
11 August 2, 2024, and the ACGME Board, which has the ultimately authority to rule on the
12 recommendation stemming from the appeal, will not do so until its meeting on September 28,
13 2024.

14 19. An appeal hearing and decision that take place *after* de-accreditation has already
15 occurred—which is to say, exactly what ACGME has allowed here—offers no effective remedy
16 at all. Once accreditation was withdrawn, the Family Medicine Residency Program was, by
17 necessity and ACGME requirement, effectively dismantled, with existing and incoming residents
18 leaving for other programs, faculty departing for other opportunities, affiliated facilities
19 terminating their relationships with the Program, and public grants supporting the Program
20 becoming imperiled or terminated. Even if Sea Mar prevails in its appeal and the Program’s
21 accreditation is restored by the ACGME Board in late September, substantial and irreparable
22 damage will have already been done, as the Program ended on June 30. Today, no residents are
23 enrolled in the Program, affiliations with the facilities needed for the Program have been disrupted
24 and require resurrection, and grant applications for the Program’s financial support have been
25 denied, deferred, or terminated. Given the realities of the situation, the appeal ACGME offered
26 Sea Mar was illusory; at best, it was too little, too late.

1 20. These harms befell Sea Mar despite ACGME's own policies that would have
2 permitted a deferral of the Family Medicine Residency Program's accreditation withdrawal for
3 one year, until after the appeals process had concluded. That would have permitted Sea Mar its
4 first (albeit limited) opportunity to be heard under ACGME's procedures and allowed Sea Mar to
5 remedy any meritorious concerns the Field Representatives and Review Committee raised. Indeed,
6 this option would have been consistent with ACGME's prior practice: Of the 929 family medicine
7 programs for which full ACGME accreditation histories are available, only *two*—0.2%—were
8 moved from full or continued accreditation to withdrawal of accreditation without first receiving
9 warning or probationary accreditation.

10 21. ACGME, however, chose to reject any form of warning or remediation, thus
11 ensuring that the Family Medicine Residency Program would end before Sea Mar had any
12 opportunity to challenge the adverse decision—and denying Sea Mar basic tenets of due process.

13 22. Moreover, even though ACGME's own appeals policies entitled Sea Mar to the
14 underlying materials on which the Field Representatives and Review Committee relied, ACGME
15 repeatedly refused the Program's requests for that documentation. It ultimately took litigation and
16 this Court's intervention for Sea Mar to secure these critical materials, [REDACTED]

17 [REDACTED]
18 [REDACTED]

19 23. The hearing before the Appeals Panel on August 2 revealed a possible motivation
20 for ACGME's precipitous adverse action: Having seen a discrepancy between Sea Mar's
21 submissions and the interviews reported by the Field Representatives, the Review Committee
22 apparently chose to believe the latter and not the former, thereby crediting subjective, individual
23 opinions over Sea Mar's objective data and refusing to undertake even the most cursory follow-up
24 inquiry to confirm or refute what the interviewees purportedly asserted—even though credible,
25 countervailing evidence was either already in ACGME's possession or would have been provided
26 by Sea Mar had the Review Committee requested it.

1 24. Put plainly, ACGME has refused to provide Sea Mar the “fair procedures” required
 2 by law. A perfunctory, one-sided “investigation” yielded a Site Visit Report replete with factual
 3 errors and baseless citations, and no one at ACGME—neither the Field Representatives nor
 4 Review Committee—bothered to ask basic follow-up questions that would have confirmed Sea
 5 Mar’s compliance with ACGME’s guidelines. The Program, which for years successfully taught
 6 and prepared residents to practice family medicine in areas where their care was most needed, was
 7 unceremoniously abolished. And ACGME refused to give Sea Mar a meaningful opportunity to
 8 be heard.

9 25. Notably, “elementary principles of administrative law call for significant, *though*
 10 *not total*, deference to decisionmaking by accreditation agencies.” *Pro. Massage*, 781 F.3d at 169
 11 (emphasis added). “[T]he extent to which deference is due to the professional judgment of the
 12 association will vary both with the subject matter at issue and with the degree of harm resulting
 13 from the association’s action”—and “[l]ess deference may be due professional judgment when the
 14 question is not one of substantive standards, but rather one concerning the fairness of the
 15 procedures by which the challenged determination was reached.” *Marjorie Webster Jr. Coll., Inc.*
 16 *v. Middle States Ass’n of Colls. & Secondary Schs., Inc.*, 432 F.2d 650, 655–56 & n.28 (D.C. Cir.)
 17 (footnote omitted), *cert. denied*, 400 U.S. 965 (1970).

18 26. Here, Sea Mar is not challenging ACGME’s programmatic guidelines for
 19 accrediting family medicine residency programs, such as the recommended utilization of
 20 telemedicine services, the appropriate size of a first-year resident’s patient panel, or which
 21 educational milestones residents should reach and when. Instead, this case is about the *process*
 22 afforded to Sea Mar and the *evidence* of the Program’s compliance with those programmatic
 23 guidelines, not the substance of the guidelines or other medical issues implicating ACGME’s
 24 expertise. Put differently, ACGME’s due-process violations lie in the “fairness of the procedures”
 25 the Field Representatives and Review Committee employed, as designed, written, and
 26 implemented—issues of law, not medicine.

1 27. ACGME and its personnel undertook a superficial site visit, [REDACTED]
2 [REDACTED], exhibited unwarranted bias against Sea Mar, refused to
3 vindicate ACGME's own policies, and denied Sea Mar a meaningful opportunity to be heard
4 before adverse action was taken, all of which resulted in the most significant and irreparable harm
5 possible: the effective dissolution of the Family Medicine Residency Program—and all of which
6 evinced ACGME's disregard of fundamental fairness and Sea Mar's common-law due-process
7 rights.

8 28. Additionally, the insufficient process that ACGME provided Sea Mar violated
9 Washington's Consumer Protection Act ("CPA") by imposing unfair and deceptive business
10 practices—including an unprofessional and deficient investigation and an illusory appeal—that
11 Sea Mar was unable to negotiate or avoid given ACGME's monopoly control over the
12 accreditation of graduate medical education.

13 29. And, by implementing its internal policies and procedures in a manner that
14 unnecessarily imposed precipitous adverse action and denied the opportunity for a meaningful
15 appeal, ACGME further breached its contractual duty of good faith and fair dealing.

16 30. Given ACGME's failure to meet its procedural obligations and the harms that have
17 been inflicted on Sea Mar, the Family Medicine Residency Program, and the diverse and under-
18 resourced communities they serve, Sea Mar seeks relief from this Court to restore its accreditation
19 until due process is accorded and recover the damages to which it is entitled.

20 **JURISDICTION AND VENUE**

21 31. The Court has subject-matter jurisdiction over this action pursuant to 28 U.S.C.
22 § 1331, as this is a civil action arising under the laws of the United States, including the federal
23 common law; 28 U.S.C. § 1332, as there is complete diversity of citizenship between Sea Mar and
24 ACGME and the amount in controversy exceeds \$75,000; and 28 U.S.C. § 1367, which provides
25 the Court with supplemental jurisdiction over Sea Mar's state-law claims.
26

32. This Court has personal jurisdiction over ACGME because ACGME transacts business within Washington, including the accreditation of graduate medical education programs in the state. *See* RCW 4.28.185(1)(a); Fed. R. Civ. P. 4(k)(1)(A).

33. Venue is proper under 28 U.S.C. § 1391(b) because “a substantial part of the events or omissions giving rise to the claim occurred” in this district.

PARTIES

34. Plaintiff Sea Mar is a Washington nonprofit corporation with its principal place of business in Seattle, Washington.

35. Defendant ACGME is an Illinois nonprofit corporation with its principal place of business in Chicago, Illinois.

FACTUAL ALLEGATIONS

Sea Mar Serves Diverse Communities in Washington

36. For more than four decades, Sea Mar has provided quality, comprehensive health, human, housing, educational, and cultural services to diverse populations, with a particular focus on Washington’s Latino community. Since its founding, it has grown from a single clinic in Seattle to dozens of medical and dental clinics and associated healthcare service providers throughout the state.

37. In 1978, with approximately \$300,000 in funding from the federal government, Sea Mar purchased a clinic in the South Park neighborhood of Seattle from a retiring physician. Sea Mar’s clinic offered primary medical care and nutrition services and focused on addressing the healthcare needs of the Spanish-speaking community in western Washington (as well as the retiring physician’s patients, many of whom were elderly and in need of long-term care).

38. Sea Mar expanded its offerings and clinical sites over the next forty years, including opening its Marysville clinic in 1989, where the Family Medicine Residency Program was based.

39. Today, Sea Mar provides services and programs in thirteen counties throughout Washington: Clallam, Clark, Cowlitz, Franklin, Grays Harbor, Island, King, Pierce, Skagit,

1 Snohomish, Thurston, Whatcom, and Yakima. It operates thirty-three medical clinics and twenty-
 2 one dental clinics, which, in addition to primary medical and dental care, offer services in obstetrics
 3 and gynecology, minor outpatient surgery, occupational healthcare, and pediatric orthodontic care.
 4 Sea Mar also operates twenty-eight outpatient behavioral health clinics and four inpatient
 5 substance-abuse treatment centers.

6 40. In addition to these health services, Sea Mar also offers laboratory, radiology, and
 7 pharmacy services; nutrition and health education; maternity support; homeless and migrant
 8 outreach and support; home-health and home-care services; insurance enrollment assistance; and
 9 citizenship and English-as-a-second-language classes.

10 41. Additionally, as an FQHC, Sea Mar serves as a “safety net provider[.]” and offers
 11 comprehensive healthcare services to medically underserved populations, including migratory and
 12 seasonal agricultural workers, the homeless, and residents of public housing. *Federally Qualified*
 13 *Health Center*, Ctrs. for Medicare & Medicaid Servs. 4–5 (Jan. 2024), [https://www.cms.gov/files/](https://www.cms.gov/files/document/mln006397-federally-qualified-health-center.pdf)
 14 [document/mln006397-federally-qualified-health-center.pdf](https://www.cms.gov/files/document/mln006397-federally-qualified-health-center.pdf); *see also* 42 U.S.C. § 254b.

15 42. In 2023, Sea Mar provided 1,840,337 individual services to 290,556 people across
 16 Washington. Of its patients, 96% had incomes below the federal poverty level, 85% had either
 17 public insurance (Medicare or Medicaid) or were uninsured, and approximately 41% were Latino.
 18 These numbers reflect Sea Mar’s ongoing emphasis on offering care to the poor and underserved—
 19 its mission since it opened its first clinic in 1978.

20 **Sea Mar’s Family Medicine Residency Program Trained the Next Generation of Family**
 21 **Medicine Physicians**

22 43. To further support its mission and help address a critical shortage of primary-care
 23 doctors, Sea Mar created the Family Medicine Residency Program to train the next generation of
 24 family medicine physicians focused on helping the underprivileged.

25 44. In addition to remedying the nationwide shortage of family medicine practitioners
 26 in rural and underserved areas, the Program also allowed Sea Mar to address its own, local needs.

1 By caring for patients who live in or near HPSAs, Sea Mar shares the difficulty of recruiting
 2 community-focused practitioners to serve in its clinics—and so decided to train them itself. The
 3 Program provided a pipeline for new doctors to serve Sea Mar’s patient base. As the Program’s
 4 website explained, its residents were trained to “provid[e] care for families in need, including the
 5 uninsured, those without the ability to pay, and undocumented immigrants in Western
 6 Washington.” *The Sea Mar Marysville Family Medicine Residency Program*, Sea Mar Cmty.
 7 Health Ctrs., <https://seamarmarysvilleresidency.org> (last visited August 24, 2024).

8 45. In 2015, after years of preparatory work, Sea Mar applied to ACGME pursuant to
 9 ACGME’s policies and procedures and received accreditation for the Family Medicine Residency
 10 Program—accreditation that was in place until June 30, 2024. Since 2018, the Program received
 11 annually continued accreditation with no citations until this year.

12 46. ACGME, according to its website, “sets and monitors voluntary professional
 13 educational standards essential in preparing physicians to deliver safe, high-quality medical care
 14 to all Americans.” *About the ACGME: Overview*, ACGME, [https://www.acgme.org/about/](https://www.acgme.org/about/overview)
 15 [overview](https://www.acgme.org/about/overview) (last visited August 24, 2024). As a part of these activities, ACGME oversees the
 16 accreditation of all medical residency and fellowship programs in the United States—including
 17 Sea Mar’s Family Medicine Residency Program.

18 47. ACGME charges annual fees to residency programs and sponsoring institutions for
 19 the oversight and accreditation services it provides. The fee is \$6,050 for each program with more
 20 than five residents and 2.5% of total program fees for sponsoring institutions. Sea Mar has annually
 21 paid the sponsoring-institution and program fees for the Family Medicine Residency Program; in
 22 January 2024, for example, Sea Mar paid ACGME \$6,201.25 in annual fees. Since the Program’s
 23 inception, ACGME has charged Sea Mar, and Sea Mar has directly paid ACGME, tens of
 24 thousands of dollars in connection with the Program’s accreditation.

1 48. The Family Medicine Residency Program’s first class of residents started training
2 in the summer of 2017. The Program later expanded to a maximum of twelve residents in each
3 three-year class.

4 49. The Program’s residents saw patients in the outpatient setting at three of Sea Mar’s
5 clinics, in Marysville, Everett, and Lynnwood. Inpatient training rotations in obstetrics, surgery,
6 family medicine, intensive care, and emergency medicine occurred at Providence Regional
7 Medical Center Everett (“Providence”). Specialized pediatric hospital care was provided at Seattle
8 Children’s Hospital.

9 50. The Family Medicine Residency Program had a strong track-record of providing
10 high-quality medical education and training. Since the Program’s inception, 100% of its graduates
11 passed the American Board of Family Medicine’s family medicine board-certification
12 examinations on their first try. Under ACGME’s own guidance, board passage rates correlate with
13 a program’s “effectiveness,” *ACGME Frequently Asked Questions (FAQs)*, ACGME, [https://](https://www.acgme.org/about/acgme-frequently-asked-questions)
14 www.acgme.org/about/acgme-frequently-asked-questions (last visited August 24, 2024)—and the
15 Program maintained a perfect score.

16 51. Since its creation, the Program had two permanent program directors and, in
17 between, one interim director who was appointed while a search was conducted for a new
18 permanent director. Greg Sanders, M.D., served in the permanent role at the Program’s inception
19 until his retirement in 2021. During the search for Dr. Sanders’s successor, Patrick Gemperline,
20 M.D.—a thirty-year Sea Mar veteran with experience overseeing another of its residency
21 programs—was selected to serve as an interim director. After the search concluded,
22 Dr. Gemperline returned to his position as a clinician at Sea Mar’s Seattle clinic and Ricardo
23 Jimenez, M.D., another longtime Sea Mar veteran, became the permanent program director in
24 April 2022. Dr. Jimenez had overseen the Program since its inception in his role as Sea Mar’s
25 designated institutional official, an ACGME-approved position that confers the authority and
26 responsibility for overseeing and administering a sponsoring institution’s ACGME-accredited

1 programs and ensuring compliance with ACGME's institutional and specialty-specific
2 requirements.

3 52. ACGME not only knew about these leadership transitions, but contemporaneously
4 approved them—and, until this year, never questioned whether the Program maintained
5 appropriate continuity of leadership as required by ACGME's programmatic guidelines. ACGME
6 certainly did not cite Sea Mar for perceived instability when it approved the two leadership
7 transitions, including that of Dr. Jimenez as program director, more than two years ago.

8 53. To the contrary, ACGME's interactions with the Family Medicine Residency
9 Program confirmed its faith in the quality of Sea Mar's training and education. In addition to
10 issuing no citations from 2018 until this year, ACGME twice approved permanent increases in the
11 Program's resident complement.

12 **The Family Medicine Residency Program Transitioned to the THCGME Model**

13 54. Once Dr. Jimenez became the program director, he sought to further align the
14 Family Medicine Residency Program with Sea Mar's overall mission by moving it towards the
15 Teaching Health Center Graduate Medical Education ("THCGME") model federally established
16 by HRSA.

17 55. THCGME programs embrace what is sometimes called the "Clinic First" model
18 and emphasize the training of physicians in community-based settings rather than sophisticated
19 hospital-based services.

20 56. In 2022, after months of preparation and several meetings with Sea Mar's faculty
21 and administrative staff and the leadership at Providence, the Family Medicine Residency Program
22 updated its inpatient family medicine teaching service, transitioning from more hospital-based and
23 obstetrics rotations (a model better suited to training hospitalists) to a program where community-
24 clinic rotations grew in importance. The Program welcomed new faculty for the inpatient family
25 medicine teaching service, which became a key component of the Program by allowing residents
26 to follow community patients if they were hospitalized.

1 57. But even appropriate change can be difficult: Some hospital-based faculty preferred
2 the older, hospital-based obstetrics care model and the extensive support the residents offered to
3 them thereby, and a few left as a result. Those departures, combined with unrelated attrition, led
4 to new faculty being recruited and a reconfiguration and reassignment of some of the Program's
5 managerial positions.

6 58. Each year, ACGME conducts surveys of program residents and faculty, and Sea
7 Mar's surveys in 2023 reflected the internal struggle over the Program's modified direction. Those
8 surveys, however, did not change the ACGME Review Committee's February 2023 conclusion
9 that the Program was "in substantial compliance with the ACGME's Program Requirements," nor
10 did the Review Committee issue any citations as a result. Instead, it granted the Program continued
11 accreditation and merely "encourage[d] the program to review results from the Resident Survey"
12 moving forward.

13 59. Consistent with ACGME's encouragement, Sea Mar studied the survey results and
14 implemented corresponding changes to the Program. This response was consistent with Sea Mar's
15 overarching effort to ensure that feedback from residents and faculty was heard and, to the extent
16 feasible and merited, operationalized.

17 60. For example, certain residents cited the burden of obstetrics rotations and sought to
18 reduce it, while some faculty members wanted to maintain the frequency and intensity of obstetrics
19 training. Responding to this disagreement and seeking to address the concerns of both faculty and
20 residents, the Program's leadership found a workable solution—including structuring the Program
21 so that residents could tailor the extent of their obstetrics training to their career goals.

22 61. Notably, the quality of the Family Medicine Residency Program was not affected
23 by the disagreements that accompanied the transition to the THCGME model. Sea Mar received
24 the Joy in Medicine Recognition Program's silver recognition in 2023 for supporting physician
25 well-being and reducing burnout, and the resident board-certification exam passage rate remained
26 at 100%.

62. Moving forward, Sea Mar had planned to expand its services for Washington’s underprivileged and underserved communities. To this end, it laid the initial groundwork for a “Rural Pathway” within the Family Medicine Residency Program to help address the particularly acute need for primary-care providers in rural areas. Though the Rural Pathway was not yet an official part of the Program, Sea Mar intended to seek ACGME approval for its initiation beginning, depending on the site, in 2025 or 2026. The Rural Pathway was to have its own curriculum, with assigned residents seeing patients at Sea Mar’s Mt. Vernon and Concrete clinics in the outpatient setting and inpatient rotations at Providence and Skagit Valley Hospital. ACGME’s decision to withdraw the Program’s accreditation—and the inevitable shuttering of the Program that resulted—ended plans for the Rural Pathway.

Sea Mar Received State and Federal Funds for the Family Medicine Residency Program

63. The Family Medicine Residency Program received both state and federal funding—all conditioned on ACGME’s accreditation of the Program.

64. Washington State provides funding for family medicine residency programs, *see* RCW 70.112.060, as part of a greater effort to “increase the number of family medicine physicians in shortage areas in the state,” S.S.H.B. 1485 § 1. Significantly, residency programs are defined as “community-based residency educational programs in family medicine, either in existence or established under this chapter *and that are certified by the accreditation council for graduate medical education* or by the American osteopathic association.” RCW 70.112.010(4) (emphasis added). In other words, the Program’s eligibility for this state funding was conditioned on ACGME certification.²

² Although the American Osteopathic Association (“AOA”) previously provided an alternative path to qualifying accreditation, in 2020 (after Chapter 70.112 RCW was last amended), ACGME and AOA announced that they had completed a “successful transition to a single accreditation system for graduate medical education [] in the U.S.” and that, “[u]nder the single accreditation system, the ACGME serves as the nation’s sole accreditor for both osteopathic (DO) and allopathic (MD) residencies and fellowships.” *AOA, ACGME and AACOM Usher in New Era of Single Accreditation for Graduate Medical Education*, AOA (June 30, 2020), <https://>

65. The Program consistently received this state funding in recent years. For fiscal-year 2023, these funds totaled \$531,181; for 2024, that number increased to \$674,301. Sea Mar relied on this state money to support the Program.

66. Notably, it is not only the receipt of state funds that is contingent on ACGME accreditation under Washington law: The Washington Medical Commission approves only programs accredited by ACGME (or its Canadian equivalents) for postgraduate clinical training, *see* WAC 246-919-330(2), and only residency programs accredited by ACGME can be used to satisfy physicians' continuing-education requirements, *see* WAC 246-919-430(1).

67. On the federal side, HRSA oversees a THCGME program that, like Washington's family medicine equivalent, aims to assist "qualified teaching health centers" that serve "medically underserved communit[ies]" and "rural area[s]." 42 U.S.C. § 256h(a)(3). First established by the Patient Protection and Affordable Care Act, *see* Pub. L. No. 111-148, §§ 5507–5508, 124 Stat. 119, 668–74 (2010), the THCGME program provides funding for "maintenance of filled positions at existing approved graduate medical residency training programs," "expansion of existing approved graduate medical residency training programs," and "establishment of new approved graduate medical residency training programs," 42 U.S.C. § 256h(a)(1)(A)–(C).

68. In order to qualify as an "approved graduate medical residency training program[]" and thus be eligible for HRSA funding, a program like Sea Mar's Family Medical Residency Program must "meet[] criteria for accreditation []as established by [ACGME], the American Osteopathic Association, or the American Dental Association." *Id.* § 256h(j)(1)(B).

69. In December 2022, Sea Mar learned that it had been approved for funding through HRSA's THCGME program for two full-time residents beginning July 1, 2023, and four additional full-time residents thereafter. The letter noted, consistent with the statute establishing the THCGME program, that this financial support "is contingent upon programs maintaining

osteopathic.org/2020/06/30/aoa-acgme-and-aacom-usheer-in-new-era-of-single-accreditation-for-graduate-medical-education-2.

1 accreditation.” HRSA subsequently confirmed Sea Mar’s award of \$320,000 for two full-time
 2 residents in the Family Medicine Residency Program. Sea Mar relied on these federal funds for
 3 the Program’s operation.

4 70. Because these state and federal programs both condition funding on ACGME
 5 accreditation, the withdrawal of the Family Medical Residency Program’s accreditation has
 6 threatened Sea Mar’s access to these critical sources of financial support and its ability to train
 7 residents and provide associated healthcare services in its target communities. Even if the Program
 8 had adequate funding, it could not be approved to conduct postgraduate clinical training by the
 9 Washington Medical Commission without ACGME accreditation. *See* WAC 246-919-330(2).

10 **ACGME Awarded Sea Mar Continued Institutional Accreditation with Commendation**

11 71. On January 23, 2024, ACGME notified Sea Mar that it had received continued
 12 accreditation as a sponsoring institution of graduate medical education programs. The ACGME
 13 letter further “commended [Sea Mar] for its demonstrated substantial compliance with the
 14 ACGME’s Institutional Requirements without any [] citations.”

15 72. Many of the “Institutional Requirements” for which Sea Mar’s compliance was
 16 commended were substantially or fully identical to program requirements with which, just weeks
 17 later, the Family Medicine Residency Program was found *noncompliant*. In addition, many of the
 18 requirements for which the Program was cited were the shared responsibility of Sea Mar as the
 19 sponsoring institution—rendering ACGME’s near-contemporaneous findings of compliance and
 20 noncompliance incompatible and incoherent.

21 **ACGME’s Field Representatives Undertook a Perfunctory Site Visit and Did Not Attempt**
 22 **to Ensure the Factual Accuracy of Their Findings**

23 73. In October 2023, following several years of continued accreditation without
 24 citation, Sea Mar received a letter from ACGME explaining that “a site visit of the program must
 25 be conducted before an accreditation decision can be made.” Two months later, on December 5,
 26 Sea Mar received a follow-up letter requesting materials and announcing that ACGME had

1 scheduled a remote site visit for February 20, 2024. The December letter stated that ACGME
2 “ha[d] identified the [] program as due for an accreditation site visit” but provided scant additional
3 information.

4 74. According to the October letter, ACGME’s Review Committee specifically
5 determined that the Site Visit was necessary because it “want[ed] more context, *in person*, with
6 respect to [the 2023 resident and faculty survey] findings as they impact the overall educational
7 environment of the program.” (Emphasis added). The December letter, however, provided for a
8 remote site visit without any “in-person” interaction—a discrepancy that was not explained, even
9 though ACGME’s Policies and Procedures expressly differentiated between in-person and remote
10 interviews as means by which to conduct site visits.³

11 75. In advance of the Site Visit, ACGME sought certain specified documentation and
12 information that Sea Mar uploaded into ACGME’s accreditation data system. Sea Mar was
13 prepared to provide any additional documents or materials requested before, during, or after the
14 Site Visit.

15 76. On February 20, 2024, two ACGME Field Representatives conducted the remote
16 Site Visit exclusively via videoconference. Neither Field Representative was a board-certified
17 family medicine or community-based health services practitioner: One was a general surgeon
18 whose career was spent in academic medicine relating to surgery and trauma care, while the other
19 was a non-physician with non-medical degrees whose touted expertise was in “strategy alignment
20 and financial projections.” *Accreditation Field Representatives*, ACGME, [https://](https://www.acgme.org/about/board-and-staff/field-representatives)
21 www.acgme.org/about/board-and-staff/field-representatives (last visited August 24, 2024).

22 77. The remote Site Visit lasted just over six hours. A subset of the Program’s residents
23 was briefly interviewed by the two Field Representatives, either in groups or in five-minute
24 individual sessions. Sea Mar had identified for ACGME residents who were not on leave, call, or
25

26 ³ ACGME’s Policies and Procedures are attached as Exhibit 1 and incorporated into this complaint by reference.

1 an inpatient rotation during the scheduled videoconference time. Consequently, the Field
2 Representatives interviewed only a subgroup of residents, not the full resident roster—and not
3 necessarily a representative subgroup of residents.

4 78. At the end of the Site Visit, Sea Mar's administration was allowed only a few
5 minutes with the Field Representatives for discussion, even though the schedule had allotted thirty
6 minutes for a concluding meeting. The Field Representatives' findings were not provided to Sea
7 Mar's administration, nor was Sea Mar provided an opportunity to address any alleged deficiencies
8 or adverse perceptions or concerns. Instead, the administrators were left in the dark as to what the
9 Field Representatives heard (or thought they heard) and what concerns, if any, they had.

10 79. The Field Representatives prepared the Site Visit Report [REDACTED].
11 At no point during that process did the Field Representatives seek any additional information or
12 documentation from Sea Mar or ask follow-up questions to confirm, illuminate, clarify, or refute
13 what they had been told during the Site Visit by residents and faculty.

14 80. Without apparent ACGME policy authorization or notice to the site under review,
15 upon information and belief, it is common ACGME protocol or practice for field representatives
16 to destroy their notes and correspondence regarding site visits immediately after finalizing their
17 reports—which is what, ACGME previously suggested to Sea Mar, the Field Representatives here
18 did. The Field Representatives' notes and correspondence are significant because the Site Visit
19 Report contained many vagaries and nonspecific information regarding communications the Field
20 Representatives purportedly had with faculty and residents during the Site Visit and unidentified
21 documents they claimed to have reviewed—and omitted any contradicting or clarifying
22 communications or information. Many of the forty-seven enumerated citations, in turn, were based
23 solely on these vague communications. [REDACTED]

24 [REDACTED], it has repeatedly refused to definitively
25 clarify whether any notes, correspondence, or other materials were destroyed, and it produced no
26

1 text messages and few of the electronic communications one would expect to see in connection
2 with a collaborative team inspection.⁴

3 **The Review Committee Unexpectedly Decided to Withdraw the Family Medicine**
4 **Residency Program’s Accreditation for Reasons That Fall Apart Under Scrutiny**

5 81. After the Field Representatives completed their Site Visit Report, an initial review
6 was undertaken by two Review Committee members, who drew up and then reconciled individual
7 lists of potential citations. [REDACTED]

8 [REDACTED], upon information and belief, neither did so—
9 even though Sea Mar had not been asked for clarifying documentation related to the vast majority
10 of purported concerns. [REDACTED]

11 [REDACTED]

12 82. [REDACTED]

13 [REDACTED]

14 [REDACTED]

15 [REDACTED]

16 83. [REDACTED]

17 [REDACTED]

18 [REDACTED], the Review Committee decided [REDACTED] to
19 withdraw the Program’s accreditation, which it communicated to Sea Mar in a letter dated April
20 21, 2024.

21 84. Based on representations made by ACGME during the course of this litigation, no
22 meeting minutes or other record of the Review Committee’s decision-making process exists. It is
23

24 ⁴ Most recently, in its motion to dismiss, ACGME suggested that Sea Mar has “ma[de] the
25 unfounded and untrue accusation that ACGME may have destroyed documents,” but then stated
26 only that “[t]he ACGME has produced those documents to Sea Mar.” Def. ACGME’s Mot. to
Dismiss 16 n.9, Dkt. No. 39. Neither here nor elsewhere has ACGME clearly stated that no Field
Representative materials were destroyed, deleted, or withheld.

1 therefore unclear why the Review Committee [REDACTED]
2 [REDACTED] chose the precipitous result of de-accreditation rather than progressive
3 remediation. The absence of any record is particularly notable given how rare it is for ACGME to
4 withdraw a program's accreditation when the program previously had full accreditation with no
5 citations and there is no finding of egregious noncompliance.

6 85. On April 26, 2024, ACGME sent Sea Mar a notification letter briefly describing
7 each of the forty-seven citations that purportedly informed the adverse accreditation decision. Each
8 citation included a vague, one- or two-sentence explanation that largely parroted similarly cursory
9 findings in the Site Visit Report.

10 86. Section 19.100 of ACGME's Policies and Procedures, titled "Withdrawal of
11 Accreditation under Special Circumstances," provided that accreditation can be withdrawn "based
12 on clear evidence of a lack of substantial compliance with accreditation requirements, such as . . .
13 egregious non-compliance with accreditation requirements." Such "special circumstances" were
14 not, however, the determined basis for the withdrawal of the Program's accreditation. Instead, the
15 executive director of the Review Committee advised Sea Mar that ACGME's decision was
16 motivated by the sheer number of citations, not egregious noncompliance. In cases other than those
17 where egregious noncompliance or some other special circumstance (like "a catastrophic loss of
18 resources") is found, ACGME's Policies and Procedures allowed for progressive remediation,
19 including continued accreditation with warning, probationary accreditation, reduction of resident
20 complement, or other actions appropriate to the circumstances. None of these remedies was offered
21 here.

22 87. It is plain from the citations and the Site Visit Report that the Field Representatives'
23 and Review Committee's goal was to simply run up the score of citations to the forty-seven noted.
24 On their own, many citations are patently meritless, trivial, based on a nonexistent or spoliated
25 record, or inconsistent with the Field Representatives' factual findings; collectively, the forty-
26

seven citations neither merit nor support the Review Committee's decision to effectively destroy Sea Mar's Family Medicine Residency Program rather than offer progressive remedies.

88. Indeed, *every single citation* suffers from multiple notable deficiencies:

Deficiency Key	
Minor issue	Ignored evidence in ACGME's possession
Factual errors	Based on unrequested information
Inconsistent with ACGME policies	
Ignored timely submitted data	Based on unreliable, anonymous hearsay
Addressed not-yet-existent Rural Pathway	

Citations									
1	X	X	X	X	X	X			
2	X	X	X	X	X	X			
3	X	X	X	X		X	X		X
4	X	X	X	X	X	X			
5	X	X	X	X		X			
6	X	X	X			X			
7		X	X			X	X		X
8	X		X			X			
9	X	X					X		X
10		X				X			X
11	X	X							
12		X		X		X			X
13		X		X		X			
14		X				X			X
15	X	X		X		X			X
16	X	X					X		
17		X	X				X		X
18	X	X		X		X	X		X
19	X	X				X			X

Citations							
20	X	X	X			X	
21	X	X		X		X	
22	X	X		X		X	
23	X	X					X
24	X	X	X			X	
25	X	X	X				
26	X	X				X	
27	X	X					X
28	X	X	X			X	
29	X	X		X		X	
30	X	X	X				
31	X	X	X			X	
32	X	X		X		X	
33	X	X					X
34		X		X		X	
35	X	X		X		X	X
36		X				X	
37	X	X	X			X	
38	X	X	X	X		X	
39	X	X	X			X	
40		X		X		X	
41		X		X		X	
42		X				X	
43		X				X	
44	X	X		X	X	X	
45	X	X					X
46		X				X	
47	X	X				X	

89. A brief survey of the first twelve citations—a quarter of the total—demonstrates deficiencies that recur throughout the other thirty-five:

a. **Citation Nos. 1, 2, and 4** addressed perceived deficiencies in the planned Rural Pathway program, but the Rural Pathway was to begin, at earliest, in the fall of 2025; at the time of the Site Visit, it was not yet active, was not yet officially part of the Program, and had no residents enrolled in it. In other words, the Rural Pathway sites at issue in these citations were not participating in the Program and thus not subject to review. Indeed, initiation of the Rural Pathway would have required express ACGME review and approval, which Sea Mar had not yet even sought.

b. **Citation No. 3** faulted Dr. Jimenez, the program director, for “not provid[ing] active oversight of the program.” But the applicable ACGME guideline required that “[t]he *program*”—not the program *director*—“monitor the clinical learning and working environment at all participating sites.” (Emphasis added). That guideline was satisfied: Dr. Jimenez directly monitored the clinics where he served as site director and delegated immediate monitoring of the Program’s other sites to those locations’ site directors. Moreover, the citation credited the subjective impressions of the interviewed residents—“residents report[ed] that they rarely see [Dr. Jimenez] or speak to him”—even though Dr. Jimenez’s clinical calendar objectively demonstrated his active participation at multiple program sites. Neither the Field Representatives nor the Review Committee, however, requested his clinical schedule [REDACTED]

c. **Citation No. 5** referenced an ACGME guideline requiring that the family medicine practices within residency programs “have [] mission statement[s]” and noted that “it could not be verified by the program director that [the Program] has a mission statement other than the overall institution’s mission statement”—without explaining how or why Sea Mar’s own mission statement, adopted by each of the Program’s sites, was

1 somehow insufficient or noncompliant. In other words, the citation was not only trivial,
2 but inconsistent with the ACGME guideline on which it was ostensibly based.

3 d. **Citation No. 6** again saw the Review Committee attempting to find a
4 violation of a guideline with which the Program was facially compliant. The guideline at
5 issue required that each program “have members of the community, in addition to clinical
6 leaders, serve on an advisory committee to assess and address health needs of the
7 community,” and the corresponding citation faulted the Program because Sea Mar’s own
8 governing board served as the advisory board for each of the Program’s components. But
9 the applicable guideline did not require unique boards for every program and every
10 practice, and Sea Mar was therefore in compliance with the plain requirements of the
11 guideline. Moreover, ACGME ignored the fact that, as an FQHC, a majority of Sea Mar’s
12 governing board must be (and was throughout the Program’s history) comprised of
13 community and clinical leaders—and that this information was provided to ACGME ahead
14 of the Site Visit.

15 e. **Citation No. 7** alleged a violation of a requirement related to facilities—
16 namely, that the Program have “clean and private facilities for lactation that have
17 refrigeration capabilities” within reasonable proximity to patient-care facilities. That is the
18 *only* thing the guideline required, and neither the citation nor the Site Visit Report
19 suggested that Sea Mar lacked compliant facilities (which, indeed, it provided). Instead,
20 the citation focused on a *different* issue, unrelated to the referenced guideline: that
21 “residents are not permitted the time to pump and concerns were raised about equitable
22 treatment for requests for accommodations and personal health issues.” But, had either the
23 Field Representatives or Review Committee asked, Sea Mar would have provided
24 documentation showing that thirty-minute pump breaks were routinely provided in every
25 eligible resident’s schedule. Moreover, this citation illustrated one of the many disconnects
26 between the Review Committee’s citations and the Field Representatives’ findings. The

1 citation suggested that *multiple residents* raised “concerns” about personal
2 accommodations. The corresponding finding in the Site Visit Report, by contrast, referred
3 to a *single* resident who “reported concerns” about a personal accommodation. Had anyone
4 at ACGME followed up with Sea Mar about these reported concerns, Sea Mar’s leadership
5 could have explained, for instance, about an inadvertent omission of a scheduled lactation
6 break on a single day for a resident’s first day back from parental leave, and about that
7 resident’s accommodated request to double her allocated time to pump. [REDACTED]

8 [REDACTED]
9 [REDACTED]—concerns that were, in turn, magnified and misconstrued
10 by the Review Committee.

11 f. **Citation No. 8** was the *only* citation without some underlying factual
12 error—and might also have been the most patently absurd of the forty-seven. Specifically,
13 ACGME cited the Program for failing to maintain continuity of leadership because it had
14 three program directors during the three years preceding the Site Visit. But the Review
15 Committee already knew about these leadership changes—and, indeed, had approved them
16 years ago. Moreover, after the Review Committee approved the leadership changes, it
17 continued the Program’s accreditation (including in February 2023) without *any* citations
18 relating to continuity of leadership. On the merits, the belated citation is no more
19 compelling. The Program’s leadership changes reflected an orderly transition process to
20 replace the founding director upon his retirement after six years of service to the Program:
21 first, to an interim director who had served as faculty for the Program since its inception
22 and otherwise had thirty years’ experience at Sea Mar; and then, to a newly appointed
23 permanent director who also served as Sea Mar’s designated institution official for the
24 Program and had also been on the Program’s faculty from the beginning. Not only was this
25 a quintessentially orderly succession contemporaneously approved by ACGME, but the
26

1 transition to highly experienced individuals who were more than familiar with the Program
2 is clear evidence of *stability*, not instability, in its leadership.

3 g. **Citation No. 9** exemplified the disconnect between the Field
4 Representatives' findings and the Review Committee's conclusions and the amplification
5 of minority anecdotal opinions to majority conclusions. The citation suggested that
6 Dr. Jimenez failed to maintain "ongoing clinical activity," an ACGME requirement for
7 program directors, based solely on comments made by some interviewees during the Site
8 Visit. Prior to the visit, Sea Mar had confirmed in writing that Dr. Jimenez spent an average
9 of four hours per week in clinic, a fact that the citation ignored. The Site Visit Report, for
10 its part, noted that a "majority" of interviewed residents "indicated" that they had never
11 seen Dr. Jimenez in a clinical situation—effectively confirming that the minority of
12 residents interviewed *had* seen him in clinical situations. But by the time this issue reached
13 the Review Committee, the reported facts had changed: The citation suggested that "it was
14 reported that [Dr. Jimenez] had *never* been seen in a clinical situation" (emphasis added)—
15 now implying that *no* Program residents had seen him in clinical situations, even though
16 the Site Visit Report confirmed that even some who were interviewed had. Similarly
17 unfounded hyperbole was used throughout the forty-seven citations, all to the Program's
18 detriment. Again, had ACGME asked about this issue or sought corroboration, Sea Mar
19 would have provided Dr. Jimenez's clinical calendar, which objectively confirmed that he
20 worked four hours per week in multiple Program clinics—thus plainly satisfying the
21 guideline's requirement of "ongoing clinical activity."

22 h. **Citation No. 10** is the first in a series of citations criticizing Dr. Jimenez's
23 leadership and suggesting a climate of fear and threatened retribution that impeded the
24 Program's educational environment—but that, like other citations, was based on rumor and
25 innuendo rather than a meaningful investigation into the underlying facts. [REDACTED]
26 [REDACTED]

1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]
6 [REDACTED]
7 [REDACTED]
8 [REDACTED]
9 [REDACTED]
10 [REDACTED]
11 [REDACTED]
12 [REDACTED] Had such an inquiry
13 been undertaken, Sea Mar would have clarified the issues and, in so doing, addressed any
14 concerns about perceived retribution that appears to have arisen due to rumor and innuendo
15 and not fact.

16 i. **Citation No. 11** accused Sea Mar of reporting an “incorrect number of
17 residents located at each” of the Program’s sites and failing to make correct data available
18 when it “was requested during the site visit.” This citation was erroneous twice over:
19 Incorrect data was inadvertently provided for a *single* site (for which the previous year’s
20 data had been accidentally uploaded), and this information *was corrected* during the Site
21 Visit. Moreover, the data-entry error was raised by the Field Representatives during the
22 Site Visit, reflecting that they knew the correct number based on other Program
23 submissions and that there was no prejudice to their inquiry. A nonprejudicial data-error
24 entry is a plainly trivial basis for a citation and provides no justification for adverse action
25 whatsoever.
26

j. **Citation No. 12** is one of several citations that questioned the competence of the Program's faculty—a baseless concern that would have been readily discounted had ACGME attempted to corroborate subjective reports with objective metrics. Most significantly, the Field Representatives and Review Committee apparently ignored that the Program's faculty were fully credentialed and privileged by some of the region's most sophisticated hospitals to perform the family medicine services in question at their respective institutions. Nor did ACGME address the complete absence of reported quality-assurance issues relating to faculty supervision of the Program's residents or substandard treatment of patients in either the inpatient or outpatient setting. Once again, ACGME simply took the word of unknown, anonymous interviewees as gospel without any corresponding documentation or information—and stopped there.

90. The myriad deficiencies illustrated above were pervasive in the Site Visit Report and across the forty-seven citations. The record confirmed that the citations uniformly lacked substantial evidentiary bases and reflected the unprofessional, inadequate inquiry on which they were based. [REDACTED]

[REDACTED], ACGME ultimately based its adverse decision on meritless and trivial issues that could not possibly justify the precipitous result of de-accreditation without a timely opportunity for response or remediation.

91. Moreover, in its initial follow-up conversations with ACGME following receipt of the notification letter, Sea Mar was informed that the decision to suddenly withdraw the Program's accreditation was motivated less by any one citation than by the sheer number of citations. But once the meritless citations are removed and that sheer number plummets, it quickly becomes clear that no evidence, let alone substantial evidence, justified the Review Committee's decision.

92. Perhaps most significantly, the citations did not demonstrate that the Program was falling short in the two areas most important to Sea Mar and its mission: resident education and patient safety. As to the former, the subjective concerns of a subset of residents and faculty could

1 not overcome the objective metric of success provided by the residents' 100% board passage rate,
 2 a metric recognized by ACME itself as indicative of high-quality residency programs. And only
 3 *one* of the forty-seven citations addressed patient safety—and, like the others, it collapses under
 4 scrutiny.

5 93. Specifically, Citation No. 47 suggested that “residents and faculty reported that
 6 inpatient supervision is not adequate resulting in adverse patient outcomes due to incompetent
 7 faculty.” [REDACTED]

8 [REDACTED]
 9 [REDACTED]
 10 [REDACTED] Moreover, neither the Site Visit Report nor the
 11 citations themselves pointed to any sentinel events or quality issues reported at Sea Mar or the
 12 Program’s other participating institutions. Simply put, if patients were in danger, this would have
 13 been reflected at the institutional level. No such evidence was found or even existed—which would
 14 have been clear to the Field Representatives and Review Committee had they bothered checking.

15 94. In sum, ACGME’s citations do not hold up under even cursory scrutiny and, when
 16 combined with the Review Committee’s decision to forego available progressive remedies, reveal
 17 an apparent agenda to remove the Family Medicine Residency Program’s accreditation regardless
 18 of whether substantial, credible, and relevant evidence existed to merit that outcome.

19 **The Family Medicine Residency Program Effectively Ended on June 30, 2024**

20 95. Upon receipt of the withdrawal notification, the Family Medicine Residency
 21 Program was prevented from appointing any new residents or fellows and required to notify all
 22 individuals currently enrolled in the Program, as well as those who had applied, of the change in
 23 accreditation status—thereby prompting their exit from the Program and the application process.

24 96. Soon after receiving the notification letter, most residents arranged to leave the
 25 Program to finish their residencies elsewhere. Between the announcement of the accreditation
 26 withdrawal and June 30, 2024, twenty of the Program’s twenty-two first- and second-year residents

1 and ten of its twelve incoming first-year residents signed contracts to begin or continue their
2 residencies at other institutions. The Program also experienced threatened and actual attrition of
3 its faculty and non-Sea Mar facilities that were planned to be part of the Family Medicine
4 Residency Program.

5 97. Meanwhile, Providence threatened to terminate its affiliation with the Family
6 Medicine Residency Program solely because of the loss of accreditation, which would leave the
7 Program without its main site for inpatient-training rotations in obstetrics, surgery, inpatient family
8 medicine, adult and neonatal intensive care, adult emergency medicine, significant portions of the
9 geriatric and pediatric emergency medicine rotations, and electives including infectious diseases.
10 A terminated affiliation would have also affected the Program's Providence-based outpatient
11 training, including outpatient pediatrics, community medicine, and subspecialty (otolaryngology-
12 specific) rotations.

13 98. Finally, because the Family Medicine Residency Program was firmly integrated
14 into its clinical services, Sea Mar has had to contract with other providers to ensure that it has the
15 resources necessary to address its patients' needs. Sea Mar has also lost a critical pipeline of new
16 doctors to practice in its clinics and treat its vulnerable, medically underserved patient base. And
17 Sea Mar has suffered the Review Committee's needless and reckless sully of its reputation in
18 the medical and patient communities because of the accreditation decision.

19 **ACGME's Appeals Process and Procedures Were Inadequate**

20 99. On May 10, 2024, Sea Mar notified ACGME of its intent to appeal the Review
21 Committee's withdrawal of the Family Medicine Residency Program's accreditation.

22 100. After receiving Sea Mar's notice of appeal, ACGME told Sea Mar that the appeal
23 hearing was scheduled for July 17, 2024—nearly three weeks *after* the withdrawal of accreditation
24 was scheduled to go into effect. ACGME later postponed the hearing to August 2 to accommodate
25 its panelists' schedules. Sea Mar's written request to have the appeal heard and decided before the
26 withdrawal went into effect was rejected by ACGME without explanation. So too was Sea Mar's

1 request to have the effective date of accreditation withdrawal pushed back one year to allow for
2 an orderly appeal and to avoid destruction of the Program during that process.

3 101. Although ACGME's Policies and Procedures purported to provide a right to appeal
4 adverse accreditation decisions, the appeals process in this case effectively prohibited Sea Mar
5 from meaningfully challenging the withdrawal of the Program's accreditation. ACGME required
6 that Sea Mar itself publicize that the Program's accreditation had been withdrawn (although "under
7 appeal") as of June 30, 2024, and so notify all residents and applicants. More to the point, ACGME
8 has treated the Program as unaccredited since July 1, 2024. As a result, the appeals process
9 provides no real recourse because by the time it is completed following the ACGME Board's
10 decision in late September, the Program will have already lost its accreditation—and,
11 consequently, ceased to exist.

12 102. Timing aside, the ACGME appeals process as implemented did not provide Sea
13 Mar with a meaningful opportunity to be heard on the adverse accreditation decision:

14 a. ACGME's Policies and Procedures stated that the appeal was not "of an
15 adversarial nature" but merely "provide[d] an administrative mechanism for peer review
16 of [the] accreditation decision."

17 b. ACGME prohibited Sea Mar from interviewing or even speaking to the
18 Field Representatives or Review Committee members about their findings and thought
19 processes before the appeal hearing, and ACGME's Policies and Procedures prohibited Sea
20 Mar from having any contact with the Appeals Panel outside of the hearing—while
21 simultaneously permitting apparently unlimited ex parte contact among the Appeals Panel,
22 the Review Committee and its representatives at the hearing, and other ACGME personnel.

23 c. The scope of Sea Mar's presentation was limited only to "clarifications of
24 the record" and did not encompass any remedial action that could have demonstrated that
25 any purported noncompliance was insubstantial and easily addressed without withdrawal
26 of accreditation.

1 d. The “record” as provided to Sea Mar (and the Appeals Panel) was self-
2 curated by the Review Committee—whose decision was appealed and under review.
3 Acting in its apparent self-interest, the Review Committee excluded the Field
4 Representatives’ contemporaneous notes of interviews, any record of its deliberations,
5 communications among and between the Field Representatives and Review Committee,
6 and other information and data that might have allowed Sea Mar to meaningfully challenge
7 the adverse accreditation decision. The Review Committee’s selection of a limited and
8 slanted record likewise frustrated the Appeals Panel’s ability to objectively review the de-
9 accreditation decision. The Review Committee’s obfuscation manifested in a related way:
10 It apparently failed to keep any minutes or other record of its deliberations and decision-
11 making with respect to the withdrawal of the Program’s accreditation, even though that
12 action was significant and nearly unprecedented.

13 e. Not only did ACGME deny Sea Mar’s request to undertake discovery on
14 the de-accreditation process, including by interviewing or deposing the Field
15 Representatives and Review Committee members, it denied Sea Mar’s request for
16 information pertaining to ACGME’s disposition of findings and citations from similarly
17 situated programs.

18 f. ACGME also refused Sea Mar’s requests for information regarding (1) how
19 the members of the Appeals Panel were selected (including who made the selection, what
20 criteria were used, and whether and how the members were screened for potential conflicts
21 of interest); (2) how the members of the Appeals Panel ruled in prior appeals; (3) what
22 other duties (if any) the Appeals Panel had; and (4) the applicable burden of proof or
23 standard of review.

24 g. ACGME also denied Sea Mar (1) records it requested regarding ACGME’s
25 January 2024 decision to continue Sea Mar’s institutional accreditation with
26 commendation; (2) documents leading up to the Site Visit and the decision to undertake a

1 remote visit rather than an in-person visit; (3) official confirmation that the Field
2 Representatives who conducted the remote Site Visit destroyed notes or correspondence;
3 (4) any policy pertaining to the destruction of notes prepared by Field Representatives;
4 (5) the minutes of the Review Committee meeting; (6) materials that might have been
5 shared between the Review Committee and the Appeals Panel; (7) the identities of anyone
6 from ACGME who planned to attend the appeal hearing; and (8) records and information
7 pertaining to previous ACGME appeals. While ACGME claimed that its policies required
8 only that it provide the “appeal file” that it itself curated, it failed to cite any policy that
9 forbade providing additional documents, data, or information that would have helped Sea
10 Mar prepare for the appeal hearing—and ACGME continued its stonewalling even after
11 Sea Mar pointed out that ACGME’s Policies and Procedures provided a floor, not a ceiling,
12 for cooperation.

13 h. Sea Mar was required to provide the contents of its oral and written
14 presentations to the Appeals Panel at least ten days before the hearing—which ACGME
15 then shared with the Review Committee’s representative, who reviewed and incorporated
16 Sea Mar’s materials into her presentation to the Appeals Panel. By contrast, ACGME was
17 *not* required to provide Sea Mar with the Review Committee’s presentation in advance of
18 the hearing, and it was not provided.

19 i. Finally, even though the Appeals Panel is charged with recommending to
20 the ACGME Board whether the Program’s accreditation should be restored and whether
21 there was substantial, relevant, and credible evidence supporting the de-accreditation
22 decision, ACGME advised Sea Mar that it would not be provided a copy of the Appeals
23 Panel’s recommendation and its associated findings. ACGME has interpreted its policies,
24 which are silent on this point, to ensure that the Appeals Panel’s conclusion will remain a
25 mystery to Sea Mar.
26

1 103. By refusing to provide materials requested by Sea Mar, ACGME defied its own
2 policies. Section 20.30 of ACGME’s Policies and Procedures, which governed the internal appeals
3 process, provided that “[a] Sponsoring Institution or program shall be given the documents
4 comprising the Sponsoring Institution or program file *and the record of the Review Committee’s*
5 *action*” and that “[t]he documents comprising the Sponsoring Institution or program file *and the*
6 *record of the Review Committee’s action*, together with oral and written presentations to the
7 Appeals Panel, shall be the basis for the final recommendations of the Appeals Panel.” (Emphases
8 added). Section 20.30 also allowed Sea Mar’s oral and written appeals presentations to clarify the
9 record with respect to its compliance with applicable program requirements and the review
10 undertaken by ACGME.

11 104. Notably, however, ACGME refused to provide Sea Mar with any documents other
12 than those comprising the self-curated “program file” on which the Review Committee ostensibly
13 relied when making its decision—which did *not* include various relevant materials, including a
14 record of the Review Committee’s deliberations and ultimate vote, the Field Representatives’
15 contemporaneous notes, the preliminary list of potential citations drawn up by members of the
16 Review Committee, or any explanation from the Review Committee as to why it rejected
17 progressive remediation. Despite Sea Mar’s repeated requests, ACGME refused to provide these
18 critical components of the Field Representatives’ investigation and the Review Committee’s
19 record. No explanation was given other than that, somehow, ACGME believed it was not required
20 to provide these materials to Sea Mar—even though there was nothing in ACGME’s policies that
21 prohibited providing this critical information, and even though the policies otherwise obliged Sea
22 Mar (and, for that matter, the Appeals Panel) to review the merits of the Review Committee’s
23 decision.

24 105. Repeatedly frustrated by ACGME’s intransigence, Sea Mar was left with no other
25 option than to seek judicial intervention to secure documents it needed to mount a meaningful
26

1 defense of the Program—materials to which it was entitled under the letter and spirit of ACGME’s
2 own policies.

3 106. Following several weeks of litigation during which ACGME repeatedly claimed
4 that it “ha[d] *already provided* Sea Mar with . . . materials considered by the Review Committee
5 at the time it made its decision to withdraw accreditation from Sea Mar’s family medicine
6 residency program,” Local Rules W.D. Wash. LCR 37 Joint Submission on Pl.’s Mot. for
7 Expedited Disc. 13, Dkt. No. 33, this Court concluded that “Sea Mar should be afforded an
8 opportunity to mitigate its injuries by gaining access to the information it needs to challenge
9 [ACGME’s] decision” and ordered the production of key documents that informed the actions
10 taken by the Field Representatives and Review Committee, Order 3, Dkt. No. 36. [REDACTED]

11 [REDACTED]
12 [REDACTED]
13 [REDACTED]
14 [REDACTED]
15 [REDACTED] Whether intentionally or merely carelessly, ACGME repeatedly
16 misled Sea Mar about the scope of the materials that were provided—and then did the same to the
17 Court.

18 107. The documents produced by ACGME in this litigation [REDACTED]
19 [REDACTED]
20 [REDACTED]
21 [REDACTED]
22 [REDACTED]
23 [REDACTED]
24 [REDACTED]
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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

108. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The Appeal Hearing Confirmed That the Withdrawal of the Program’s Accreditation Was Wholly Unjustified

109. Sea Mar presented these and other arguments at the hearing before the ACGME Appeals Panel on August 2, 2024. The Review Committee was in turn given the opportunity to defend its precipitous decision to withdraw the Family Medicine Residency Program’s accreditation.

110. The presentation of Louito Edje, M.D., the Review Committee chair, confirmed that the record lacked substantial, credible, and relevant evidence to justify the de-accreditation decision. Indeed, Dr. Edje ignored and failed to reply to almost all of the materials presented to the Appeals Panel by Sea Mar, except to quibble with Sea Mar’s characterization of certain citations (such as those based on the Program having an orderly succession of directors and the yet-to-be-operative Rural Pathway) as “minor.”

111. Additionally, at the hearing, a possible motive for the Review Committee’s perplexing decision came to light. Dr. Edje suggested that the Review Committee, having perceived differences between objective data reported by Sea Mar and subjective opinions attributed by the Field Representatives to interviewed residents and faculty, chose to disregard the former and consistently credit the latter. In other words, according to Dr. Edje, the Review Committee simply chose not to believe Sea Mar or its administration. Setting aside the fundamental impropriety of this bias—especially given that the Review Committee took no steps to reconcile the differences it saw between Sea Mar’s data and the resident and faculty interviews—the Review Committee’s skepticism was based on a fundamentally infirm foundation.

112. Specifically, Dr. Edje pointed to one issue in particular as a source for the Review Committee’s bias: the Program’s use of telemedicine. Although Sea Mar’s objective submissions confirmed that the Program employed telemedicine and that the residents used the technology (at least to the extent feasible, given the technological disadvantages common to Sea Mar’s vulnerable patient base), the Review Committee believed that the interviewed residents said the opposite: that

1 they did *not* use telemedicine. Dr. Edje suggested at the hearing that this issue took on outsized
 2 importance, as the purported discrepancy caused her and her Review Committee colleagues to
 3 question the validity of not only Sea Mar’s telemedicine data, but *all* of the evidence and data
 4 submitted in support of the Program. But the Review Committee was wrong: There was no actual
 5 inconsistency to resolve. [REDACTED]

6 [REDACTED] the Site
 7 Visit Report, which found that “[r]esidents”—*plural*—“indicated that they do not use
 8 telemedicine.” By the time the Review Committee was finished, the facts had morphed even
 9 further: Citation No. 18 read that “it was reported that residents”—not only plural, but seemingly
 10 universal—“do not use telemedicine and residents do not receive any access or training to
 11 telehealth services.”

12 113. In short, this citation (and, as discussed above, many others) was premised on a
 13 factual misunderstanding caused by a manifest failure to investigate the underlying issues, and the
 14 Review Committee’s apparent skeptical bias against Sea Mar—which motivated it to disregard
 15 Sea Mar’s data and materials and run up the score against the Program—was wholly unmerited.
 16 And while some of the Review Committee’s apparent (or willful) confusion might be attributed to
 17 the inadequacy of the Field Representatives’ investigation, something more profoundly wrong is
 18 suggested by its exaggeration and misstatement of the materials provided to it and its studious
 19 avoidance of the facts presented to it by Sea Mar at the appeal hearing. In short, the Review
 20 Committee appears to have sought this draconian result *despite* the facts rather than because of
 21 them.⁵

22
 23 ⁵ The inexplicably deficient citations and precipitous de-accreditation decision, along with
 24 the inadequate process afforded throughout the Site Visit and appeals process, has left Sea Mar to
 25 guess why it was so mistreated by ACGME. The reason suggested by Dr. Edje at the appeal
 26 hearing—that the Field Representatives and Review Committee simply chose not to believe
 anything Sea Mar said—is one possible explanation, but the information to which Sea Mar
 currently has access suggests other, equally iniquitous motivations. For example, Sea Mar, a
 relatively small healthcare provider operating one residency program, pays far less to ACGME in
 annual fees than, say, academic medical institutions that have many residency programs and

CAUSES OF ACTION

COUNT I

Denial of Federal Common-Law Due Process

114. Sea Mar realleges and incorporates by reference all prior paragraphs of this complaint as though fully set forth herein.

115. “[A]ccreditation agencies are [not] wholly free of judicial oversight”; instead, courts have recognized that “there exists a ‘common law duty on the part of “quasi-public” private professional organizations or accreditation associations to employ fair procedures when making decisions affecting their members.’” *Pro. Massage*, 781 F.3d at 169 (quoting *McKeesport Hosp.*, 24 F.3d at 534–35 (Becker, J., concurring in the judgment)); *see also, e.g., Med. Inst. of Minn. v. Nat’l Ass’n of Trade & Tech. Schs.*, 817 F.2d 1310, 1314 (8th Cir. 1987) (“Although not governed by constitutional guidelines, [accrediting bodies] nevertheless must conform [their] actions to fundamental principles of fairness.”).

116. “The fundamental components of due process are ‘notice and an opportunity to respond.’” *Bennett Coll. v. S. Ass’n of Colls. & Schs. Comm’n on Colls., Inc.*, 474 F.Supp.3d 1297, 1307 (N.D. Ga. 2020) (quoting *Auburn Univ. v. S. Ass’n of Colls. & Schs., Inc.*, 489 F.Supp.2d 1362, 1374 (N.D. Ga. 2002)); *see also, e.g., Mountain State Univ., Inc. v. Higher Learning Comm’n*, No. 5:14-16682, 2017 WL 963043, at *10 (S.D. W. Va. Mar. 10, 2017) (“[N]otice and opportunity for hearing appropriate to the nature of the case’ are indispensable ingredients of due process and thus of common-law due process claims.” (alteration in original) (citation omitted) (quoting *Mullane v. Cent. Hanover Bank & Tr. Co.*, 339 U.S. 306, 313 (1950))). This opportunity

maintain accreditation notwithstanding the issuance of citations. ACGME therefore has ample financial incentive to give short shrift to Sea Mar’s accreditation while simultaneously touting the de-accreditation decision as low-cost evidence of its rigorous oversight. Moreover, in the Site Visit Report, the Field Representatives puzzlingly and seemingly irrelevantly mentioned that Sea Mar “was founded by Hispanics,” suggesting possible discriminatory animus.

1 “is required before an individual is finally deprived of a property interest.” *Mathews v. Eldridge*,
 2 424 U.S. 319, 333 (1976).

3 117. Common-law due process further requires that accrediting bodies, among other
 4 things:

5 • Employ fair procedures when making decisions affecting their members, *Thomas*
 6 *M. Cooley L. Sch. v. ABA*, 459 F.3d 705, 711 (6th Cir. 2006), such that any “process and decision
 7 [are] fundamentally fair,” *Paine Coll. v. S. Ass’n of Colls. & Schs. Comm’n on Colls., Inc.*, 810
 8 F.App’x 852, 857 (11th Cir. 2020) (per curiam);

9 • Ensure that decisions are neither arbitrary nor unreasonable, are based on
 10 substantial evidence, are reached with sufficient reasoning, and are made by impartial
 11 decisionmakers, *Cooley L. Sch.*, 459 F.3d at 712, 715; *Pro. Massage*, 781 F.3d at 177;

12 • Afford open, fair, and deliberative processes that “protect all interests and [] assure
 13 some measure of confidence in the outcome of the inquiry,” *Bennett Coll.*, 474 F.Supp.3d at 1307
 14 (quoting *Auburn Univ.*, 489 F.Supp.2d at 1374);

15 • Have fair and impartial procedures and adhere to their own rules when making
 16 decisions, *Pro. Massage*, 781 F.3d at 172; and

17 • Avoid conflicts of interest, *Paine Coll.*, 810 F.App’x at 858.

18 118. Here, ACGME has denied Sea Mar these fundamental tenets of due process.

19 119. ACGME informed Sea Mar that it intended to withdraw the Family Medicine
 20 Residency Program’s accreditation effective June 30, 2024—before Sea Mar had an opportunity
 21 to be heard on the de-accreditation decision at the August 2 appeal hearing. ACGME further denied
 22 Sea Mar’s requests to expedite the hearing or extend the effective date of the accreditation
 23 withdrawal to allow the appeal to be completed beforehand. Sea Mar was therefore denied the
 24 opportunity to be heard at a meaningful time and in a meaningful manner because no opportunity
 25 was afforded until after adverse action was taken.
 26

1 120. The process and deliberations leading to the accreditation-withdrawal decision—
2 and the appeals process that followed—were fundamentally unfair. The Field Representatives
3 conducted a short, remote site visit [REDACTED]
4 [REDACTED]. Their Site Visit Report [REDACTED]
5 [REDACTED]—errors repeated by
6 the Review Committee, who credited subjective opinion over objective data [REDACTED]
7 [REDACTED].
8 Adverse action was taken before Sea Mar had an opportunity (let alone a meaningful one) to
9 respond to the forty-seven citations, and progressive remediation was rejected in favor of
10 unwarranted, precipitous de-accreditation. And, at every step of the process, ACGME construed
11 its internal policies and procedures to Sea Mar’s detriment, including by failing to record its
12 deliberations, refusing to provide critical documentation to Sea Mar, and conducting the appeal
13 hearing in a manner that prevented the Appeals Panel from assessing the substantiality and
14 credibility of the evidence that purportedly justified the withdrawal of the Program’s accreditation.
15 In short, rudimentary fairness was repeatedly denied, replaced instead by a shoddy, unprofessional
16 investigative process and “star chamber”-like proceedings.

17 121. Given the meritless nature of the Review Committee’s forty-seven citations and the
18 manifestly deficient investigation that preceded their issuance, the decision to withdraw the Family
19 Medicine Residency Program’s accreditation was arbitrary and unreasonable and lacked both a
20 substantial evidentiary basis and sufficient underlying reasoning. As detailed above, each of the
21 forty-seven citations suffered from multiple deficiencies, ranging from clear factual errors to a
22 failure to account for the terms of the policies allegedly violated to ready contradiction by materials
23 in ACGME’s possession at the time the Review Committee made its decision. Even aggregated,
24 the citations [REDACTED] cannot possibly justify the withdrawal of the
25 Program’s accreditation.
26

1 122. Rather than provide an open, fair, and deliberative process, both the Field
2 Representatives and Review Committee [REDACTED], and they
3 did not seek additional documentation or input from Sea Mar that would have readily refuted most
4 or all of the forty-seven citations. And, as detailed above, the internal ACGME appeals process
5 denied Sea Mar a meaningful opportunity to contest the de-accreditation decision.

6 123. Lastly, ACGME's appeals procedures are neither fair nor impartial. The
7 imprecision and silences in ACGME's Policies and Procedures allowed the Review Committee to,
8 among other things, fail to record essential information, curate a selective record that denied both
9 Sea Mar and the Appeals Panel critical materials and documentation, affirmatively refuse Sea
10 Mar's requests for relevant data, and deprive Sea Mar and the Appeals Panel of the ability to assess
11 the evidentiary basis for the de-accreditation decision. The information imbalance was
12 compounded by a process that permitted ACGME personnel to engage in ex parte communication
13 and coordination with the Appeals Panel while denying the same right to Sea Mar. ACGME tilted
14 the playing field even further by providing the Review Committee with Sea Mar's presentation
15 well before the appeal hearing, allowing the Review Committee to incorporate Sea Mar's materials
16 into its own presentation—while simultaneously allowing the Review Committee to keep its
17 presentation secret from Sea Mar until its unveiling at the hearing.

18 124. Sea Mar suffered significant and irreparable injury when the Family Medicine
19 Residency Program's accreditation was withdrawn on June 30, 2024. Even if Sea Mar prevails in
20 ACGME's appeals process, the loss of residents, faculty, and institutional support has effectively
21 led to the Program's dissolution. Additionally, the sudden adverse decision has threatened Sea
22 Mar's receipt of critical federal funding that is statutorily conditioned on ACGME accreditation.
23 These injuries—and the monetary and reputational harm that have resulted—could have been
24 avoided had ACGME afforded Sea Mar the due-process rights to which it was entitled, including
25 the opportunity to be heard and respond to the allegations before adverse action was taken.
26

COUNT II

Denial of State Common-Law Due Process

125. Sea Mar realleges and incorporates by reference all prior paragraphs of this complaint as though fully set forth herein.

126. State courts have also recognized that “certain private organizations owe a limited common law duty of due process to those subject to disciplinary action,” which, like federal common-law due process, requires “fundamental fairness,” “notice,” and “an opportunity to be heard.” *Tulp v. Educ. Comm’n for Foreign Med. Graduates*, 376 F.Supp.3d 531, 542–43 (E.D. Pa. 2019) (quoting *Psi Upsilon of Phila. v. Univ. of Pa.*, Pa.Super. 604, 610–11 (1991)).

127. Although the Washington Supreme Court has not confirmed the existence of common-law due-process obligations for accrediting bodies under Washington law, it long ago noted—in a more specific but legally analogous context—that “expulsion for crime or misconduct inimical to [an] organization’s being” must be preceded by “a hearing after notice” *Schroeder v. Meridian Improvement Club*, 36 Wn.2d 925, 933 (1950); see also *Found. for Interior Design Educ. Rsch. v. Savannah Coll. of Art & Design*, 244 F.3d 521, 527 (6th Cir. 2001) (explaining that “body of jurisprudence concerning academic accreditation . . . derives from early common law relating to private, voluntary organizations”).

128. Because due-process protections are especially appropriate where membership in or recognition from a given organization is “an economic necessity” and the organization is one “with which the public is highly concerned and which engages in activities vitally affecting the health and welfare of the people,” *Falcone v. Middlesex Cnty. Med. Soc’y*, 34 N.J. 582, 591, 596–97 (1961) (cleaned up), states have extended common-law due process rights to accreditation decisions, see, e.g., *Auburn Univ.*, 489 F.Supp.2d at 1367–75 (charting history of higher-education accreditation and observing that “the notion of common law due process evolved from the . . . line of [state] cases holding that where membership in private associations is a virtual prerequisite to the practice of a given profession, courts must scrutinize the procedures used by the association to

1 assure that they are reasonable, while giving deference to the specialized competence of the
2 association” (cleaned up)).

3 129. Here, as described above, *see supra* ¶¶ 118–23, ACGME denied Sea Mar basic
4 tenets of common-law due process, including by undertaking a perfunctory investigation of the
5 Program’s compliance with applicable guidelines, withdrawing the Program’s accreditation
6 without a substantial evidentiary basis, and refusing to provide Sea Mar an opportunity to be heard
7 until *after* adverse action was taken—all of which served to effectively end the Family Medicine
8 Residency Program and inflict irreparable harm on Sea Mar, its staff and residents, and its patients
9 who rely on the Program for family medicine services. Additionally, the sudden adverse decision
10 has threatened Sea Mar’s receipt of critical state funding that is statutorily conditioned on ACGME
11 accreditation and foreclosed approval for postgraduate clinical training from the Washington
12 Medical Commission.

13 COUNT III

14 Violation of the Washington Consumer Protection Act

15 130. Sea Mar realleges and incorporates by reference all prior paragraphs of this
16 complaint as though fully set forth herein.

17 131. Washington’s CPA, RCW 19.86.010–.920, prohibits “[u]nfair methods of
18 competition and unfair or deceptive acts or practices in the conduct of any trade or commerce,”
19 RCW 19.86.020. The CPA “shall be liberally construed that its beneficial purposes may be
20 served.” RCW 19.86.920.

21 132. To prevail on a CPA claim, private litigants must establish five elements: “(1) an
22 unfair or deceptive act or practice; (2) in trade or commerce; (3) which affects the public interest”;
23 (4) “injury to plaintiff in his or her business or property”; and (5) “a causal link . . . between the
24 unfair or deceptive act complained of and the injury suffered.” *Hangman Ridge Training Stables,*
25 *Inc. v. Safeco Title Ins. Co.*, 105 Wn.2d 778, 784–85 (1986).
26

1 133. Here, each of these elements is satisfied based on ACGME's hollow commitment
2 to a meaningful review and appeals process for adverse accreditation decisions.

3 134. First, ACGME's accreditation-withdrawal and appeals processes—which denied
4 Sea Mar its due-process rights and provided only an illusory opportunity to contest the adverse
5 accreditation decision—is both an unfair and a deceptive practice and is designed to prevent
6 meaningful and successful appeals of ACGME's decision-making. ACGME undertook a
7 perfunctory site visit [REDACTED], resulting in the
8 issuance of meritless citations that could not possibly justify the withdrawal of the Family
9 Medicine Residency Program's accreditation. ACGME then interpreted and applied its appeals
10 procedures in a manner that denied Sea Mar a meaningful opportunity to contest the de-
11 accreditation decision. Even if Sea Mar prevails in the appeal, the process offered by ACGME will
12 nonetheless cause irreparable harm to Sea Mar and the Program, given that adverse action was
13 taken before the appeals process was completed, effectively shuttering the Program for at least one
14 year and likely more. ACGME's treatment of the Program was inherently unfair, as Sea Mar has
15 no alternative to the process given ACGME's monopoly control over the accreditation of graduate
16 medical education programs. *See Klem v. Wash. Mut. Bank*, 176 Wn.2d 771, 787–88 (2013)
17 (suggesting that “a practice is unfair if it causes or is likely to cause substantial injury to consumers
18 which is not reasonably avoidable by consumers themselves and not outweighed by countervailing
19 benefits” (cleaned up)).

20 135. ACGME's appeals process is also deceptive, as a reasonable consumer would
21 believe that the accreditation and appeals processes would provide a meaningful investigation of
22 a program's compliance with applicable guidelines and permit effective redress of an erroneous
23 decision. *See Panag v. Farmers Ins. Co. of Wash.*, 166 Wn.2d 27, 47, 49–50 (2009). This deception
24 is not unique to the relationship between Sea Mar and ACGME; instead, it is designed to deceive,
25 and has the effect of deceiving, a substantial portion of the residency programs accredited by
26

1 ACGME, who believe they have access to a fair appeals process should they be subject to an
 2 adverse accreditation decision. *See Behnke v. Ahrens*, 172 Wn.App. 281, 292–93 (2012).

3 136. Second, the ACGME accreditation process is “in trade or commerce,” as ACGME
 4 charges annual fees to Sea Mar and the other entities it accredits. *In re Breast Cancer Prevention*
 5 *Fund*, 574 B.R. 193, 223 (Bankr. W.D. Wash. 2017). Sea Mar has paid ACGME tens of thousands
 6 of dollars in annual fees since the Family Medicine Residency Program was first accredited.

7 137. Third, ensuring fair and adequate accreditation and regulatory processes for
 8 residency programs is not only in the public interest generally, but also in the narrower sense of
 9 the CPA: The practice occurred in the course of ACGME’s business of accrediting and regulating
 10 residency programs, which it advertises to the relevant public (including its actual and would-be
 11 residency programs) and solicited Sea Mar to undertake in a manner consistent with ACGME’s
 12 stated values of integrity, fairness, transparency, excellence, and accountability. *See Hangman*
 13 *Ridge*, 105 Wn.2d at 790–91. Furthermore, given that it wields monopoly control over the
 14 accreditation of graduate medical education, ACGME holds an unequal bargaining position in the
 15 relationship, setting forth terms and procedures that Sea Mar was unable to negotiate irrespective
 16 of how unfair, deceptive, nontransparent, deficient, and unaccountable they might be. *See id.* at
 17 794 (factors under CPA’s public-interest inquiry “include (1) whether defendant was acting in the
 18 course of his or her business, (2) whether defendant advertised to the general public, (3) whether
 19 defendant actively solicited this plaintiff, and (4) whether the parties were unequal bargainers”).

20 138. Moreover, ACGME’s unfair and deceptive practices have the effect of undermining
 21 Washington’s articulated policy of promoting and increasing family medicine residency programs
 22 in medically underserved areas, directly frustrating the State’s public-policy aims. *See RCW*
 23 *70.112*; Sally C. Pipes, *Free Tuition Won’t Fix America’s Shortage of Doctors*, *Seattle Times*
 24 (Aug. 19, 2024), [https://www.seattletimes.com/opinion/free-tuition-wont-fix-americas-shortage-](https://www.seattletimes.com/opinion/free-tuition-wont-fix-americas-shortage-of-doctors)
 25 [of-doctors](https://www.seattletimes.com/opinion/free-tuition-wont-fix-americas-shortage-of-doctors) (opinion piece attributing primary-care shortage in HPSAs to lack of residency slots
 26 nationwide, with “more than 44,800 doctors applying for just over 41,500 residency positions

across the country” in 2024). Indeed, State Senator June Robinson of Everett told the *Everett Herald* that “[l]osing family residency slots in Marysville is painful,” while James Lewis, M.D., health officer for Snohomish County, noted that the withdrawal of the Family Medicine Residency Program’s accreditation “will impact a key federally qualified health center partner’s patient care capacity” and “curtail a meaningful pipeline of primary care providers to our region.” Sydney Jackson, *After 47 Citations, Sea Mar Sues to Save Marysville Residency Program*, *Everett Herald* (Aug. 17, 2024), <https://www.heraldnet.com/news/after-47-citations-sea-mar-sues-to-save-marysville-residency-program>. Dr. Lewis further explained that ending the Program might limit primary-care providers for refugee and immigrant referrals. *Id.* As he suggested, the loss of the Program will have a particularly detrimental effect on some of Washington’s most vulnerable communities—especially since only *three* family medicine residency programs in the entire state are sponsored by FQHCs like Sea Mar.

139. Additionally, ACGME’s inherently unfair and deceptive practices are not limited to its treatment of Sea Mar’s Family Medicine Residency Program: Its articulated appeals procedures deny all accredited programs and institutions a meaningful process to contest adverse action, including by depriving them of critical documentation (and instead permitting only a limited, ACGME-curated file). Given that every accredited program and institution—including at least 197 other ACGME-accredited programs in Washington State, *see Advanced Program Search*, ACGME, <https://apps.acgme.org/ads/Public/Programs/Search> (last visited Aug. 23, 2024)—is required to seek annual reaccreditation under ACGME’s policies, the risk of repeated unfair and deceptive practices is real and substantial. Upon information and belief, Sea Mar regularly engages in similarly unfair and deceptive practices with other programs and institutions, denying them fair accreditation decisions and appeals processes.⁶

⁶ Indeed, this is not the first time ACGME’s accreditation procedures have been subject to judicial scrutiny. *See generally* Complaint, *Prospect Med. Holdings, Inc. v. ACGME*, No. CV-2024-001003 (Pa. Ct. Com. Pl. Jan. 31, 2024) (alleging that ACGME “suddenly announced that [surgical residency program’s] accreditation would be withdrawn” without “any substantive basis

140. Finally, Sea Mar has been and will be injured both financially and reputationally because the Program was effectively terminated without justification for the withdrawal of accreditation and without a meaningful opportunity to contest the adverse decision.

COUNT IV

Breach of the Implied Duty of Good Faith and Fair Dealing

141. Sea Mar realleges and incorporates by reference all prior paragraphs of this complaint as though fully set forth herein.

142. “Under Washington law, ‘[t]here is in every contract an implied duty of good faith and fair dealing’ that ‘obligates the parties to cooperate with each other so that each may obtain the full benefit of performance.’” *Melwani v. Amazon.com, Inc.*, No. 21-1329RSM, 2022 WL 3683807, at *4 (W.D. Wash. Aug. 25, 2022) (alteration in original) (quoting *Rekhter v. State*, 180 Wn.2d 102, 112 (2014)); *see also Rekhter*, 180 Wn.2d at 115 (“[W]hen a party has discretion over a future contract term, it has an implied duty of good faith and fair dealing in setting and performing that contractual term.”). This “duty arises [] in connection with terms agreed to by the parties.” *Melwani*, 2022 WL 3683807, at *4 (quoting *Rekhter*, 180 Wn.2d at 113).

143. By inviting accreditation applications, ACGME extends offers to applicants that it will provide accreditation and make accreditation decisions in accordance with its Policies and Procedures in exchange for payment of annual accreditation fees—which, in Sea Mar’s case, totaled tens of thousands of dollars. Program applicants like Sea Mar accept that offer when they submit applications, provide monetary consideration in the form of annual accreditation fees, and extend resources and effort to comply with the programmatic terms contractually required by ACGME through its policies, procedures, and guidelines.

144. The relationship between ACGME and Sea Mar was therefore contractual in nature. *See, e.g., St. Agnes Hosp. of City of Balt., Inc. v. Riddick*, 748 F.Supp. 319, 342 (D. Md. 1990).

for the withdrawal of accreditation” or “any meaningful means to appeal that determination” and asserting common-law due-process and tortious-inference claims).

1 This conclusion was consistent with ACGME's actions: for example, requiring payment for its
2 promised and delivered services and its acknowledged practice of not applying its policies and
3 procedures retroactively and instead applying them prospectively (and thus binding itself to the
4 terms as they existed at the time action was taken).

5 145. Here, ACGME has violated the implied duty of good faith and fair dealing that
6 adheres to all contracts under Washington law with respect to its internal Policies and Procedures
7 in several ways.

8 146. First, section 18.20 of ACGME's Policies and Procedures provided that "[t]he
9 accreditation process for . . . programs includes site visits to *address compliance* with the . . .
10 Program Requirements." (Emphasis added).

11 147. Here, however, the Site Visit undertaken by the Field Representatives did not
12 meaningfully address the Program's compliance with the applicable guidelines. Among other
13 shortcomings, the Site Visit lasted less than a business day, the Field Representatives interviewed
14 only a subset of residents and faculty and yet drew sweeping conclusions from those limited
15 interactions, and the Field Representatives failed to undertake necessary follow-up actions to
16 assess the Program's compliance.

17 148. Second, section 19.70 of ACGME's Policies and Procedures allowed its Review
18 Committee to "confer a status of Probationary Accreditation if it has determined that a Sponsoring
19 Institution or program has failed to demonstrate substantial compliance with the applicable
20 Requirements confirmed by the findings of an accreditation site visit." Whether to take adverse
21 action against an institution and program, and what adverse action to take, were at the discretion
22 of ACGME.

23 149. In response to the Site Visit, ACGME chose the precipitous response of imminent
24 accreditation withdrawal. Under ACGME's own policies, probationary accreditation and
25 progressive remediation would have been appropriate given the circumstances, and yet ACGME
26 not only declined to offer these options to Sea Mar, but also refused to seek or consider Sea Mar's

1 responses to the Site Visit findings and Review Committee’s citations—even though many
2 citations were baseless, inaccurate, or premised on anonymous communications—before
3 imposing, based on the sheer number of citations, a sanction that inevitably led to the Program’s
4 dissolution. ACGME thus breached the implied duty by choosing the severest possible penalty on
5 the Family Medicine Residency Program without providing Sea Mar the opportunity to remedy
6 the alleged deficiencies or even meaningfully contest the Review Committee’s conclusions.

7 150. Third, section 20.00 of ACGME’s Policies and Procedures outlined an appeals
8 process through which the Appeals Panel “make[s] recommendation to the ACGME Board as to
9 whether substantial, credible, and relevant evidence exists to support the” adverse action taken by
10 the Review Committee.

11 151. ACGME, however, exercised its discretion to control the timing—of the initial
12 notification to Sea Mar, the withdrawal of accreditation, and the appeals process—to completely
13 and unfairly deprive Sea Mar of any meaningful opportunity to be heard prior to de-accreditation.
14 Indeed, after notifying Sea Mar of the withdrawal of the Program’s accreditation, ACGME refused
15 Sea Mar’s repeated requests and entreaties to provide a meaningful appeals process. Among other
16 procedural and substantive shortcomings, ACGME unfairly and in bad faith: chose an effective
17 withdrawal date that preceded the opportunity for appeal; refused to extend the withdrawal date or
18 otherwise provide progressive remediation; denied Sea Mar’s repeated requests for information
19 and materials, including the Field Representatives’ notes and the minutes of the Review
20 Committee’s deliberations; refused to seek or consider any additional evidence in the appeal that
21 contradicted the Review Committee’s conclusions, whether communicated during the Site Visit or
22 presented before the hearing; and, during the hearing, maintained its position and did not even
23 attempt to reply to or controvert the objective facts presented by Sea Mar that conclusively refuted
24 most or all of the citations. Consequently, in violation of its implied contractual duties, ACGME
25 denied Sea Mar a meaningful opportunity to demonstrate to the ACGME Appeals Panel and Board
26

1 that the Review Committee’s decision was not supported by “substantial, credible, and relevant
2 evidence.”

3 152. ACGME thus breached the implied duty by exercising discretion to impose baseless
4 citations, withdraw the Program’s accreditation, and deny Sea Mar the opportunity for a
5 meaningful appeal.

6 **PRAYER FOR RELIEF**

7 WHEREFORE, Sea Mar prays for judgment against ACGME as follows:

8 A. A declaration that ACGME’s insufficient investigatory process, issuance of
9 insubstantial and meritless citations, imposition of precipitous adverse action rather than
10 progressive remediation, and failure to provide a meaningful opportunity for Sea Mar to be heard
11 before the withdrawal of the Family Medicine Residency Program’s accreditation constitute a
12 violation of Sea Mar’s federal and state common-law due-process rights; a violation of the CPA,
13 RCW 19.86.010–19.86.920; and a violation of the implied duty of good faith and fair dealing.

14 B. An injunction restoring the Family Medicine Residency Program’s accreditation
15 until such time as ACGME fulfills its legal obligations under federal and state common-law due
16 process, the CPA, and the implied duty of good faith and fair dealing;

17 C. An award of damages, as well as attorney’ fees and costs, in an amount to be proven
18 at trial but in excess of \$75,000; and

19 D. Any and such other relief that the Court deems appropriate.

20 **DEMAND FOR JURY TRIAL**

21 Pursuant to Federal Rule of Civil Procedure 38(b), Sea Mar demands a trial by jury of all
22 damages claims asserted in this complaint so triable.

1
2 Dated: August 26, 2024

By: s/ David B. Robbins

3
4 By: s/ Matthew P. Gordon

5 By: s/ Cara V. Wallace

6
7 By: s/ Jonathan P. Hawley

8 By: s/ Juliana L. Bennington

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CERTIFICATE OF SERVICE

I certify under penalty of perjury that, on August 26, 2024, I caused to be electronically filed the foregoing document with the Clerk of the Court using the CM/ECF system, which will send a notification of the filing to the email addresses indicated on the Court's Electronic Mail Notice List.

Dated: August 26, 2024

s/ David B. Robbins

David B. Robbins